GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1996
ANSWERED ON:26.07.2002
NOTIFICATION ISSUED BY CBDT
VIRENDRA KUMAR

Will the Minister of FINANCE be pleased to state:

(a) Whether the Central Board of Direct Taxes has issued any notification on 20th June, 2002 under Rule 2 of BBA Income Tax Rule in the interest of the employees opting for VRS;

(b) if so, the details thereof;

(c) whether the said amendment will be applicable in case of bank employees who opted VRS of 31st March, 2001 and had been paid VRS amount in May-June, 2001; and

(d) if so, the reasons thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) & (b) Through Notification No.151/2002 dated19.06.2002 rule 2BA of I-T Rules has been amended to providethat amount received by an employee of a notified institution having importance throughout India or in any State or States,at the time of his voluntary retirement shall be exempt only if the scheme of voluntary retirement is framed in accordance with the conditions prescribed in the said rule 2BA. No further benefit has been given through this Notification to the employees who are opting for VRS.

(c) The above mentioned amendment is not related to bank employees.

(d) Does not arise in view of (c) above.